DETAILED ACTION

1. This communication is a first Office Action Non-Final rejection on the merits. Claims

    1-14 as originally filed are currently pending.

Drawings

2. The drawings are objected to because Figure 4 and 5 do not explicitly depict a

    distinguishable process that can be determined as a process within the applicant's

    invention. Corrected drawing sheets in compliance with 37 CFR 1.121(d) are

    required in reply to the Office action to avoid abandonment of the application. Any

    amended replacement drawing sheet should include all of the figures appearing on

    the immediate prior version of the sheet, even if only one figure is being amended.

    The figure or figure number of an amended drawing should not be labeled as

    "amended." If a drawing figure is to be canceled, the appropriate figure must be

    removed from the replacement sheet, and where necessary, the remaining figures

    must be renumbered and appropriate changes made to the brief description of the

    several views of the drawings for consistency. Additional replacement sheets may

    be necessary to show the renumbering of the remaining figures. Each drawing sheet

    submitted after the filing date of an application must be labeled in the top margin as

    either "Replacement Sheet" or "New Sheet" pursuant to 37 CFR 1.121(d). If the

    changes are not accepted by the examiner, the applicant will be notified and

    informed of any required corrective action in the next Office action. The objection to

    the drawings will not be held in abeyance.

Claim Objections

3. Claim 1 is objected to because of the following informalities:

Line 8 the term --and-- appears instead of "an". Appropriate correction is

required.

4. The numbering of claims is not in accordance with 37 CFR 1.126 which requires the

original numbering of the claims to be preserved throughout the prosecution. When

claims are canceled, the remaining claims must not be renumbered. When new

claims are presented, they must be numbered consecutively beginning with the

number next following the highest numbered claims previously presented (whether

entered or not). The application contains two Claim 12's.

Misnumbered claims 12, 13, and 14 has been renumbered 13, 14 and 15.

Claim Rejections - 35 USC § 112

5. Claims 1-15 are rejected under 35 U.S.C. 112, second paragraph, as being

indefinite for failing to particularly point out and distinctly claim the subject matter

which applicant regards as the invention.

Claim 1 recites the limitation "the ID" in line 11. There is insufficient antecedent

basis for this limitation in the claim.

Claim 1 recites the following: "goods and/or services," in line 1 and

"goods/services" in line 10, which fails to particularly point out what the inventor

is claiming as their invention.

Claim 6 recites the limitation "the transaction server" in line 4. There is

insufficient antecedent basis for this limitation in the claim.

Claim 8 recites the following: "telephone and/or Internet," in Claim 8, line13 which

fails to particularly point out what the inventor is claiming as their invention.

Claim 9 recites the following: "goods and/or services," in Claim 9, line 17, which

fails to particularly point out what the inventor is claiming as their invention.

Claim 9 recites the limitation "the ID" in line 23. There is insufficient antecedent

basis for this limitation in the claim.

Claim 13 recites the limitation "the database" in line 14. There is insufficient

antecedent basis for this limitation in the claim.

Claim Rejections - 35 USC § 103

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set
> forth in section 102 of this title, if the differences between the subject matter sought to be patented and
> the prior art are such that the subject matter as a whole would have been obvious at the time the
> invention was made to a person having ordinary skill in the art to which said subject matter pertains.
> Patentability shall not be negatived by the manner in which the invention was made.

7. **Claims 1-7, 9, 11 and 13-15 are rejected under 35 U.S.C. 103(a) as being**

unpatentable over Welton (PG PUB. 2004/0218741) and Stimson et al.

(#5,721,768).

As per Claim 1, Welton discloses a method for payment of services by using a

prepaid card (Paragraph [0039] discuss customer selects a service for which he or she

wants to use prepaid card), where the card comprises a concealed code and an

activation code (Paragraph [0015] discuss an serial number and a card personal

identification number, where a PIN is construed as a concealed code and serial number

is construed as activation code), where the method comprises:

to activate the card at a point of sale for the card by reading the activation code

in a card reader on the point of sale (See Figure 2, Card Retailer 206, where Paragraph

[0034] discuss a card retailer activates a prepaid card using a POS terminal at the

retailer location), and where the activation code is transmitted to an offeror of the

prepaid card (Paragraph [0034] discusses the POS terminal is configured to read the

relevant information from the bar code on the card and transmit that information over a

communication link to issuer processing system and database 212, the serial number is

inherently scanned in order to be saved in database 212), and

when paying for services from a service provider (Paragraph [0043], lines 51-53,

provider processing system 216 at service provider 204 fulfills the customer's service

account with the monetary value of the prepaid credit purchased by the customer), to

transmit the concealed code (Paragraph [0038], lines 14-15, discuss customer enters a

card PIN associated with prepaid card) together with the ID for the service provider to

the card offeror for thereby causing purchase of the service (Paragraph [0039], lines 35-

37 discuss issuer processing system obtains a service ID number associated with the

service, where the offeror is construed as the card issuer).

However, Welton fails to disclose where the ID for the point of sale is transmitted

to an offeror.

Both Welton and Stimson et al. are within the same field of prepaid cards.

Stimson et al. teaches where the identity of the store at which the card was issued i.e.,

the identification of the authorizing terminal (Column 5, lines 28-34) is transmitted to a

host, where the host is inherently the offeror of the card.

Therefore from this teaching of Stimson et al. it would have been obvious to one of ordinary skill in the art at the time of the invention was made to modify the method for fulfilling a prepaid phone services account of Welton to include a method that transmits a POS identification taught by Stimson et al. The motivation to combine would have been to account for each card that is activated and determine which retailers benefit from the resale of prepaid cards.

As per Claim 2, Welton discloses a method characterized in that the activation of the card causes opening of an account for a buyer of the card at the card offeror with an amount corresponding to the prepaid amount (Paragraph [0045] discuss a customer purchases a prepaid card instructed to set-up an account by working through a customer service agent at issuer. Alternatively, issuer processing system may be configured to establish service provider accounts, so that it can establish the account. Once the account is established, customer can use the system of the present invention to implement the prepaid credit).

As per Claim 3, Welton discloses a method characterized in that the activation code is a bar code and that the card is read in a bar code reader (Paragraph [0034] discusses a POS terminal is configured to read the relevant information from the bar code on the card and transmit that information over a communication link to issuer processing system and database, where the Examiner is construing that the relevant information is for activation).

As per Claim 4, Welton discloses all elements of the claimed invention. However, fails to disclose a method characterized in that the concealed code is covered by a thin opaque layer which must be scraped off by the buyer of the card.

Both Welton and Stimson et al. are within the same field of prepaid cards. Stimson et al. teaches the card may include the security number in clear text under a suitable user-removable scratch-off or other material such as an opaque tape (Column 3, lines 64-66).

Therefore, from this teaching of Stimson et al. it would have been obvious to one of ordinary skill in the art at the time of the invention was made to modify the method for fulfilling a prepaid phone services account of Welton to include an area on the prepaid card that covers a hidden code. The motivation to combine would have been to supply a code already printed on the prepaid card that is only visible when scratched off.

As per Claim 5, Welton discloses a method characterized in that the card offeror controls that the card is activated (Paragraph [0016] discuss card issuer activating the prepaid card) , authenticates the concealed code (Paragraph [0038] discuss Issuer processing system 210, customer 208 enters a card PIN associated with prepaid card, Issuer processing system 210 then validates the information by checking prepaid card database 212) and the ID of the service provider (Paragraph [0039], lines 35-37 discuss issuer processing system 210 obtains a service ID number associated with the service) and controls that the balance of the account is equal to the cost for purchase of the service, before purchase of the service can take place (Paragraph [0039] discuss card issuer 202 communicates the monetary value of the card to service provider 204

based on the preset monetary value of the card, and Paragraph [0043], lines 46-55,

discuss Issuer processing system 210 passes the account information to service

provider 204, along with the service ID and monetary amount. If the customer account

and service ID information is valid, provider processing system 216 at service provider

204 fulfills the customer's service account with the monetary value of the prepaid credit

purchased by the customer).

As per Claim 6, Welton discloses a method characterized in that control and

authenticating take place by query against the card offeror's database stored on a

database server communicating with the transaction server (Paragraph [0038] discuss

an issuer processing system 210 then validates the information by checking prepaid

card database 212, issuer processing system 210 validates that prepaid card was

activated by a retailer that the card was not stolen, where the prepaid card database

212 is located at Card Issuer 202).

As per Claim 7, Welton discloses wherein an in ID of the service provider is an

IP-address (Paragraph [0071], lines 60-64, discuss Issuer processing system 210

checks whether Service provider 204 supports host-to-host fulfillment. Card Issuer 202

tracks whether provider supports host-to-host fulfillment, perhaps by storing such

information in service provider identification database 214, where it is inherent that

information needed to support host-to-host fulfillment requires an IP-address and is

used to identify the Service provider upon host-to-host communication)and at least one

unique password (Paragraph [0069], lines 18-19 discuss, Service provider-specific PIN).

As per Claim 9, Welton discloses a prepaid card, where the card comprises a concealed code (Paragraph [0015] discuss personal identification number, where a PIN is construed as a concealed code) to be used by a purchaser of the card for authenticating and an activation code (Paragraph [0015] discuss a serial number and serial number is construed as activation code) comprising:

a card reader for reading of the activation code of the card at a point of sale for the card (See Figure 2, Item 208, where Paragraph [0034] discusses card retailer activates a prepaid card using a POS terminal at the retailer location) and where the activation code is transmitted to a central system for an offeror of the prepaid card (Paragraph [0034] discusses the POS terminal is configured to read the relevant information from the bar code on the card and transmit that information over a communication link to issuer processing system and database 212, the serial number is inherently scanned in order to be saved in database 212), and

an electronic service provider (Figure 2, Service Provider 204), where the service provider transmits the concealed code from a purchaser of a service at a service provider (Paragraph [0069], lines19-32 discuss service provider rules may force customer 208 to enter the correct PIN, which are verified by issuer processing system 210 before allowing the fulfillment transaction to proceed) together with the ID of the service provider (Paragraph [0069] lines19-32 discuss service provider 204 can transmit any service provider rules to card issuer 202, where service provider rules are stored in service provider identification database 214, therefore sending an identifier for service provider in order to correspond to the rules within the service identification database), to

the central system of the card offeror (Figure 4, Card Issuer 202) for thereby causing

payment of the service from the service provider (Paragraph [0068] discuss setting the

service provider allows issuer processing system 210 to proceed with the fulfillment

transaction with the proper provider 204, where the Examiner is construing fulfillment as

a method of payment).

However, Welton fails disclose where the ID for the point of sale is transmitted to

an offeror.

Both Welton and Stimson et al. are within the same field of prepaid cards.

Stimson et al. teaches the identity of the store at which the card was issued i.e., the

identification of the authorizing terminal (Column 5, lines 51-52) are transmitted to a

host, where the host is inherently the offeror of the card.

Therefore from this teaching of Stimson et al. it would have been obvious to one

of ordinary skill in the art at the time of the invention was made to modify the method for

fulfilling a prepaid phone services account of Welton to include a method that transmits

a POS identification taught by Stimson et al. The motivation to combine would have

been to account for each card that is activated and determine which retailers benefit

from the resale of prepaid cards.

As per Claim 11, Welton discloses a provider is a web site on Internet

(Paragraph [0072] discuss completing a form on a web site of provider) and that the ID

of the service provider is the IP-address of the web site (It is inherent that an IP-address

is an identification of a computer on the Internet) and at least one unique password for

the service provider (Paragraph [0069], line 18 discuss a provider-specific PIN).

As per Claim 13, Welton discloses a system, characterized in that the database comprises a table stored for all cards (Figure 2, Prepaid Card Database 212), where a record for each card comprises the concealed code, the activation code (Paragraph [0053], discuss a pass code which is comprises a serial number and PIN, Paragraph [0054] discuss comparing the pass code to values stored in prepaid card database 212), if the card is activated (Paragraph [0054] determining whether the prepaid credit was activated by the retailer at the time of purchase), and the balance of the account belonging to the card (Paragraph [0081], lines 31-35, discuss a fulfillment transaction where a notification indicates the date and/or time of fulfillment, and includes an indication of the credit added to the customer account or the new credit balance, Paragraph [0083], lines 56-62, discuss transaction fulfillment information can also be stored in prepaid card database 212) and service providers with pertaining ID (Figure 2, Service Provider Identification Database 214).

However, Welton fails to disclose a table for storing point of sales IDs. Welton and Stimson are within the same field of prepaid cards. Stimson teaches each call record established in the system includes a number of pieces of information: the calling card security number, the identity of the store at which the card was issued i.e., the identification of the authorizing terminal (Column 5, lines 28-30) where each of the terminals are located at a point-of-sale location where the calling cards are sold to users (Column 4, lines 29-30).

Therefore, from this teaching of Stimson it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method for

fulfilling a prepaid phone services account of Welton to include the storage of the data

terminal IDs as taught by Welton. The motivation to combine would have been to keep

an historical record of retail location card activations.

As per Claim 14, Welton discloses a system, characterized in that the card

reader is connected to a PC which further is connected to Internet (Paragraph [0034]

discuss terminal is configured to read the relevant information from the bar code. The

communication link between POS terminal and issuer processing system may be any

suitable communication link, such as a telephone line, a direct data connection, a

wireless or satellite connection, which is inherent connections to the Internet and where

a POS has the same functionalities as a personal computer).

As per Claim 15, Welton discloses a system characterized in that the user

communicates with a service provider via a PC, mobile phone, or another electronic

communication device (Paragraph [0044] discuss issuer processing system may

establish a 3-way call with provider processing system at service provider and

customer, where a 3-way call is a communicating via telephone).

8. **Claims 8, 10 and 12 are rejected under 35 U.S.C. 103(a) as being unpatentable**

over Welton (PG PUB. 2004/0218741) and Stimson et al. (#5,721,768) as applied

to claims 1 and 9 above, and further in view of Frazee (#6,829,596).

As per Claim 8, Welton discloses a method characterized and that the point of

sale communicates with the central systems via the telephone network and/or Internet

(Paragraph [0034] discuss the communication link between POS terminal and issuer

processing system may be any suitable communication link, such as a telephone line, a

direct data connection, a wireless or satellite connection).

However Welton fails to disclose wherein that ID for the point of sale is the phone

number of the point of sale and a unique password for the point of sale,

Both Welton and Frazee are within the same field of prepaid cards. Frazee

teaches the activation devices are prepared by setting their clocks, entering encryption

keys and their pager identifications within a communications network (Column 10, lines

8-11), where the encryption keys are construed as a unique password and a pager

identification is old and well known with the art of telecommunications as a ten digit

phone number.

Therefore from this teaching of it would have been obvious to one of ordinary skill

in the art at the time of the invention was made to modify the method for fulfilling a

prepaid phone services account of Welton to include a method that allows sending a

code as well as a phone number as taught by Frazee. The motivation to combine would

have been to identify the retailer and transmit another layer of security for the

transaction.

As per Claim 10, Welton discloses a system characterized in that the activation

code is a bar code the card reader is a bar code reader (Paragraph [0034] discuss

relevant information from the bar code on the card, and POS terminal is configured to

read the relevant information from the, bar code on the card).

However, Welton fails to disclose an ID for the point of sale is the point of sale's

telephone number and a unique password.

Both Welton and Frazee are within the same field of prepaid cards. Welton

teaches that the activation devices are prepared by setting their clocks, entering

encryption keys and other data relating to their pager identifications within a

communications network (Column 10, lines 8-11), where the encryption keys are

construed as a unique password and a pager identification, where it is old and well

known within the art of telecommunications as a ten digit phone number.

Therefore from this teaching of Frazee it would have been obvious to one of

ordinary skill in the art at the time of the invention was made to modify the method for

fulfilling a prepaid phone services account of Welton to include a method that allows

sending a pass code as well as a phone number as taught by Frazee. The motivation

to combine would have been to identify the retailer and to supply another layer of

security.

As per Claim 12, Welton discloses a system, characterized in that the central

systems comprise a transaction server which has stored thereon functions for logic and

procedures (Figure 4, Card Issuer 202), a database server comprising a database with

data for the prepaid cards (prepaid card database 212) and service providers (service

provider identification database 214), and where queries against the database are

controlled by the transaction server (Figure 4, Issuer Processing System 210 depicts

controlling movement between databases).

However Welton fails to disclose a database for point of sales and a firewall

between the transaction server and the database server.

Both Welton and Frazee are within the same art of prepaid cards. Frazee teaches that the activation database is queried for the retailer ID (Column 16, lines 14-15). Frazee further teaches that various systems of the activation network are divided into secure and non-secure elements. These elements are delineated or separated by a firewall (Column 17, lines 22-25, where Figure 9 depicts web server 235 separated by firewall server 234).

Therefore from this teaching of Frazee it would have been obvious to one of ordinary skill in the art at the time of the invention was made to modify the method for fulfilling a prepaid phone services account of Welton to include a database for storing retailers and maintain a firewall as taught by Frazee. The motivation to combine would have been to keep record of all retailers and security from malicious users.

Conclusion

9. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

   Tidball et al. (#6,837,426) discloses a method and system for account activation. Risafi et al. (PG PUB. 2006/0078100) discloses a system and method for using a prepaid card.

   Any inquiry concerning this communication or earlier communications from the examiner should be directed to Ashford S. Hayles whose telephone number is 571-270-5106. The examiner can normally be reached on Monday thru Thursday 8:30 to 4:00 Eastern Time.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's

supervisor, Lynda Jasmin can be reached on 571-270-3033. The fax phone number for

the organization where this application or proceeding is assigned is 571-273-8300.

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Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a

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system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Elaine Gort/
Primary Examiner, Art Unit 3627

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